

UK sets 10% renewables target for electricity

LONDON - The British government yesterday set its electricity industry a target that 10 percent of its output be supplied from renewable sources.

Under the government's Utilities Bill, renewable-generated electricity and heat will be exempt from a planned climate change levy, industry minister Helen Liddell said.

"The Government has adopted an ambitious target, for 10 percent of our electricity to be supplied from renewable sources, subject to the costs to consumers being acceptable," Liddell said in a statement.

"I want to see all electricity supply companies supplying 10 percent of their power from green sources by 2010."

However, environmental group Greenpeace said it was a missed opportunity to promote wind, wave and solar power, and would encourage electricity companies to use cheaper, dirty renewable sources such as waste incineration.

But Liddell said the government was not prepared to see consumers pay heavily for this change. Indeed, the bill aims to cut electricity prices for most consumers by around 10 percent in the medium term.

Liddell said she would ask the consumer bodies whether a price increase building up to about two percent by around 2010, about 1.35 pounds (\$2.18) on a typical quarterly electricity bill, would be acceptable for greener power.

The climate change levy, to be introduced in April 2001, will tax industry's use of energy in a bid to reduce carbon dioxide measures. Finance minister Gordon Brown watered it down in the face of heavy industry pressure last year.

Peter Melchett, executive director of Greenpeace said the government had backtracked on a 1998 promise to provide financial support for up to eight wind farms round the coast of Britain.

"It seems that forces of conservatism within 10 Downing Street (seat of the British government) have blocked support for the budding industries of offshore wind, wave and solar power," he said.

Greenpeace said it had presented evidence that wind, wave and solar power could generate seven times the UK electricity demand.